

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

TUSCANY PACHECO,

Plaintiff,

v.

CHAMPION WINDOW COMPANY  
OF SEATTLE SOUTH, LLC,

Defendant.

CASE NO. C22-0164JLR

SECOND SHOW CAUSE ORDER  
REGARDING SUBJECT  
MATTER JURISDICTION

On February 15, 2022, the court issued an order to show cause why the court should not remand this matter to state court for lack of subject matter jurisdiction. (OSC (Dkt. # 7).) The court noted that because Defendant Champion Window Company of Seattle South, LLC (“Champion”) is a limited liability company (“LLC”), it must identify the citizenship of each of its members/owners to establish the court’s jurisdiction. (*See id.* at 2 (first citing *Johnson v. Columbia Props. Anchorage, LP*, 437 F.3d 894, 899 (9th Cir. 2006); and then citing Local Rules W.D. Wash. LCR 8(a)).) While Champion

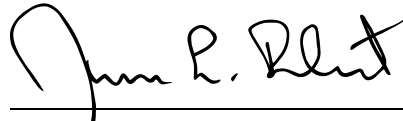
1 alleged in its notice of removal that it is “a wholly-owned subsidiary of Champion  
2 Retailco LLC” (*see* Notice (Dkt. # 2) at 4), it failed to allege the citizenship of any of the  
3 members/owners of Champion Retailco LLC (OSC at 2). Thus, the court ordered  
4 Champion to provide information regarding the citizenship of Champion Retailco LLC’s  
5 members/owners, and if any member/owner of Champion Retailco LLC is itself an LLC,  
6 information about the citizenship of the members/owners of those LLCs as well. (*See id.*  
7 at 2-3 & n.1.)

8 In response to the court’s show cause order, Champion informed the court that  
9 Champion Retailco LLC “is a wholly-owned subsidiary of Champion Opco, LLC” and  
10 that Champion Opco, LLC “is wholly-owned by Champion Intermediate Holdings, Inc.”  
11 (Resp. to OSC (Dkt. # 9) at 1-2 (citing Stude Decl. (Dkt. # 10) ¶¶ 9-12).) Because  
12 Champion Intermediate Holdings, Inc. is a “Delaware corporation with its principal place  
13 of business in Cincinnati, Ohio,” Champion alleges that it is a citizen of Delaware and  
14 Ohio for the purposes of diversity jurisdiction. (Resp. to OSC at 1-2 (citing Stude Decl.  
15 ¶¶ 13-16).) While these allegations would otherwise successfully establish the court’s  
16 diversity jurisdiction, Plaintiff Tuscany Pacheco alerted the court to an inconsistency  
17 between Champion’s citizenship analysis and its corporate disclosure statement. (*See*  
18 Pls. Resp. to OSC (Dkt. # 11) at 1 (citing Corp. Disclosure (Dkt. # 4)).) As Mr. Pacheco  
19 notes, Champion’s corporate disclosure statement alleges that Champion Retailco LLC is  
20 owned by Great Day Improvements, LLC (*see* Corp. Disclosure), but its response to the  
21 court’s show cause order alleges that Champion Retailco LLC “is a wholly-owned  
22 subsidiary of Champion Opco, LLC” (*see* Resp. to OSC at 1).

1 Because Champion has not clearly established the member(s)/owner(s) of  
 2 Champion Retailco LLC (*compare* Corp. Disclosure, *with* Resp. to OSC at 1), the court  
 3 cannot determine whether Defendants have properly invoked this court's subject matter  
 4 jurisdiction on the basis of the parties' diversity of citizenship. *See Johnson*, 437 F.3d at  
 5 899; *see also* Local Rules W.D. Wash. LCR 8(a). To be very clear: Champion must  
 6 identify all of the members/owners of Champion Retailco LLC. *Johnson*, 437 F.3d at  
 7 899. It must then establish the citizenship of all of those members/owners. *Id.* If any of  
 8 those members/owners are themselves LLCs, Champion must repeat this process again,  
 9 over and over, as many times as is necessary to properly establish subject matter  
 10 jurisdiction, and using the appropriate test for LLC citizenship at every step of the way.<sup>1</sup>

11 Accordingly, the court again ORDERS Champion to show cause why subject  
 12 matter jurisdiction exists in this action. If Champion fails to provide the court with the  
 13 information described above within seven (7) days of the date of this order, the court will  
 14 remand this case.

15 Dated this 23rd day of February, 2022.

16  
 17   
 18 JAMES L. ROBART  
 United States District Judge

19  
 20  
 21 <sup>1</sup> At no point does LLC citizenship depend on state of incorporation, principal place of  
 22 business, or any other test. Rather, it depends on the citizenship of the members/owners. *See Johnson*, 437 F.3d at 899; Local Rules W.D. Wash. LCR 8(a).